

# building blocks



August 2006

The online newsletter of the Michigan State Housing Development Authority  
Vol. 2, Issue 3

## MSHDA Announces Partnership with REALTORS® to Provide Continuing Ed

**T**he Michigan State Housing Development Authority (MSHDA) has been approved as a sponsor for the **Real Estate Nondistance-Learning Continuing Education** for the 2006 Calendar Year. MSHDA's Office of Single Family is pleased to present its Homeownership Program to REALTORS as part of a course curriculum. In order to maintain their licensed status, REALTORS will spend time in the classroom learning to utilize MSHDA's products to provide homes for their low- to moderate-income customers.

As approved by the Administrative Services Division of the Department of Labor & Economic Growth (DLEG), the program will be offered as a two-hour real estate continuing education course titled "MSHDA's Homeownership Programs — Delivering the Dream to Michigan Families."

"It is great that MSHDA is making the effort to work with our membership to offer this continuing education opportunity," said Michigan Association of Realtors CEO Bill Martin. "This training should be useful not only to REALTORS, but also in helping our membership serve the



*From left: Nancy Baker, Ben Robertson, Carol Brito*

public."

MSHDA will create an opportunity for REALTORS to meet their customers' goals of owning a home as well as their own professional goals. This course signifies a closer partnership between two key industry leaders.

"The education will allow us to combine our skills as partners in the housing industry and deliver the dream of owning a home to families in Michigan," said MSHDA Executive Director Michael DeVos. "Having the course as part of the education curriculum really is a win for

everybody."

MSHDA employees Carol Brito and Nancy Baker will serve as instructors of three REALTOR Continuing Education seminars in the Okemos area. The dates are September 13, October 10, and November 14. These seminars will offer attendees an excellent opportunity to learn about MSHDA's program enhancements designed to make it much simpler for them and their customers to understand and utilize MSHDA's Single Family Loans and/or Mortgage Credit Certificate (MCC) Program.

## A Little “R&R” Allows Time for Reflection

The term “R&R” is a military term that means time to get away from the daily struggles of the battle for a little “rest and relaxation.” It also has meaning in civilian working world. Although I did manage to rest and relax a little during my recent vacation, I also discovered two other “r” words that are every bit as powerful in restoring one’s energy and perspective: “reflection” and “renewal.” This is especially true as the Authority celebrates an important milestone – its 40<sup>th</sup> anniversary – in October!

While I was away, surrounded by both family and nature’s splendor, I took the opportunity to reflect on those accomplishments and all the hard work you have done to improve people’s lives throughout the state of Michigan.

It has only been 18 months since I came to Michigan and the Authority, but because of the hundreds of MSHDA staff, our local and state partners, and all the individuals and organizations dedicated to advancing the affordable housing cause in Michigan, our accomplishments have been nothing short of phenomenal.

One of the more recent events, the **2006 Conference on Affordable Housing**, was — as always — a great success as evidenced by the record numbers of attendees and their complimentary remarks. This is a great testament to all your hard work and thoughtful planning.

One of the largest and most apparent accomplishments of the last year and a half is the completion of the **Five-Year Affordable Housing Plan**. Twelve months of tireless effort and countless hours went into the preparation of the plan, and we are now ready to embark upon the journey of implementation.

The dedication demonstrated by the workgroups involved is a genuine tribute to the importance of teamwork.

Another great accomplishment is the creation of **four new divisions** – *Supportive Housing and Homeless Initiatives*, *Southeast Michigan Development division*, *Single Family*, and the *Community Assistance Team (CATeam)* – to better address housing and community/downtown development needs in Michigan.

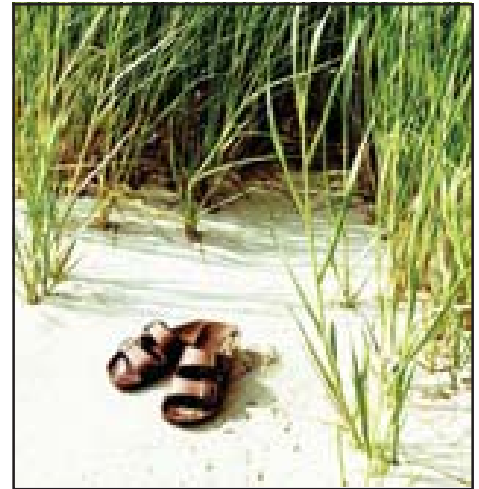
Also launched was a comprehensive state and local **10-year Campaign to End Homelessness** in Michigan, with virtually every county signing on to participate. The campaign is gaining national attention as a model for eliminating homelessness within 10 years. A **Homeless Summit** is also scheduled in October at the Lansing Center so stay tuned for information on this major event.

The Authority also created a \$10 million **Chronic Homeless initiative** and a \$4 million **Domestic Violence initiative** that challenged and increased local partnerships.

Excitedly, the Authority welcomed **more than 40 employees** from the Michigan Economic Development

Corporation (MEDC) back in November, replacing a multitude of MSHDA staff lost during the early retirement option a few years ago. Because of the merger, we were able to staff a **Single Family marketing team** which has helped triple production, affording even more Michigan families the opportunity of homeownership.

The CATeam has been working with a number of communities on downtown revitalization initiatives, including **Brownfield Redevelopment**, which is considered the premier model for the country. This program has awarded



\$620 million in tax credits to investors on developments that will strengthen market conditions in high-risk areas while improving the local economy.

The interagency **Cities of Promise initiative** was created to address the needs of our most vulnerable cities, and MSHDA’s **Tipping Point Neighborhood initiative** was started to promote multifamily development and homeownership in communities already enjoying success.

I am also pleased to announce that, through the diligent efforts of *Ted Rozeboom* and *Corina Andorfer* of our legal division, **MSHDA’s independence** has been restored. The autonomy outlined in the enabling legislation enacted back in 1966 is once again in place. MSHDA is no longer a bureau but is officially a quasi-state agency, independent of a state department. However, we are still under the umbrella of the Michigan Department of Labor and Economic Growth.

After all your hard work this past year, I recommend some R&R for each of you. Kick back for a little “reflection and renewal” of your own. It’s good for the soul and you will come back with renewed energy, ready to forge ahead through whatever the future holds for us.

Just remember to turn off your Blackberry and cell phone!

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### “Reflection and Renewal” is the new R&R

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# Cities of Promise Initiative Gaining Momentum

## Benton Harbor Contractors Get New Tools

Several Benton Harbor area contractors recently completed a 40-hour **Contractors Assistance Program (CAP)** training series. CAP is a program offered by MSHDA to open doors for small contractors and developers by teaching the skill sets necessary to meet high industry standards. It helps to equip contractors to compete for work that ultimately benefits the communities in which they work.

The Benton Harbor CAP program was offered as part of the statewide Cities of Promise initiative. On June 29, approximately 40 program graduates were honored by local Benton Harbor Cities of Promise partners for their accomplishments and completion of the CAP training program. A core activity of the Cities of Promise initiative is poverty reduction through job creation. Job creation is a natural extension of empowering and preparing local contractors to successfully bid and win contracts. Having worked and lived in Benton Harbor for many years, these graduates have big plans for the area. As graduate Tom Henderson said, "My business will progress if Benton Harbor progresses."

Among other things, through CAP,

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**MSHDA  
program  
provides  
skills to  
succeed**

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## Cities of Promise Team Members Roll Up Their Sleeves

The seven cities designated by Governor Granholm as **Cities of Promise** have all created their local partnership teams to assess the needs and priorities in their own city. At the recent Mackinaw Conference, the Governor showed the Cities of Promise logo by donning the first T-shirt designed for the local partnership teams. The T-shirts have been created for use during volunteer community building activities.

Before the Cities of Promise T-shirt had

been created, the Highland Park partnership team pitched in to help on the annual Woodward Avenue clean-up project. The Cities of Promise team members focused their efforts on clean up at the historic

McGregor Library and the abandoned site of the first Model T Ford factory, both on Woodward Avenue.

The Cities of Promise initiative brings together co-captains representing various state agencies, including MSHDA, to join with local city leaders and partners.



contractors learn job estimating and specification techniques, bidding processes and basic business practices.

Over 700 Michigan contractors have participated in CAP since its inception and provide a valuable resource to the

employment of contractors in the affordable housing market.

A Cities of Promise Web site featuring this and other information will be online soon.



# Partners Building Communities



## 8th Annual Conference on Affordable Housing Was a Hit

**T**he Michigan Conference on Affordable Housing concluded on June 7 with record attendance reaching more than 1700 people, making it yet again the largest of its kind in the country.

"The conference continues to grow every year as more and more people understand that the citizens of Michigan deserve plentiful, affordable housing options; rich vibrant communities; and an end to homelessness," said Michael DeVos, Executive Director of MSHDA. "We should all be proud of our accomplishments and energized to go forward with an ambitious plan to improve the state of housing, community development, and the homeless in Michigan."

The conference joined dedicated individuals and organizations together to share their knowledge and experiences while renewing their personal commitments to make Michigan an affordable place to live.

Several exciting highlights were

featured in the three-day event: the inspirational keynote speakers, Annette Simmons and Donna Brazile; announcement of the Five-Year Community Action Plan; the new educational track, Asset Management for Individuals and Families; media roundtables; and much more.

Along with the overwhelming success of the conference, the support it received from planning partners and hundreds of volunteers reached new heights as well. Many of these volunteers were MSHDA employees whose complete commitment was evident.

As we prepare for the 2007 Conference to be held April 30 - May 2, we should remember that the full impact of the Conference is made not during the three-day event but over the next year, when attendees implement the ideas generated and use the partnerships formed to advocate for safe, available, and accessible housing in Michigan.



# Michigan Downtown Communities Awarded \$2.9 Million in CDBG Block Grant Funding

On June 23, Governor Jennifer Granholm announced that more than \$2.9 million in federal **Community Development Block Grant (CDBG)** funding was offered to 18 Michigan downtown communities across the state. This funding is part of community development and revitalization efforts that are key to building strong economic stability in Michigan communities and downtowns.

The funding was made available through MSHDA, administered by MSHDA's CATeam, and will be used for downtown improvement projects designed to financially assist communities that have targeted key downtown properties in need of physical improvements.

There are three programs available through CDBG funding to achieve these goals: **Downtown Facade Improvement** initiative, the **Signature Building Acquisition** initiative, and the **Land Assembly** initiative. These programs are intended to stimulate private investments including building/housing renovations and job creation within Michigan's traditional downtown areas.

The *Facade Improvement* initiative is designed to assist a community in making physical improvements to a block, a portion of a block, or an entire traditional downtown area that contains buildings and businesses in need of facade improvements.

The **Signature Building** initiative is designed to assist a community in acquiring a vacant or underused building for rehabilitation purposes and must result in job creation.

The *Land Assembly* initiative is designed to assist a community in



acquiring and demolishing blighted properties to aid in the prevention of additional deterioration within a traditional downtown.

These three programs will utilize more than \$2.9 million in grants to leverage \$12 million in private investments and create 150 full-time jobs in downtowns throughout the state. The 18 communities offered the CDBG funding are:

## **Facade Improvement**

- The City of Clare: \$40,000
- The City of Hillsdale: \$75,000
- The City of Houghton: \$200,000
- The City of Imlay City: \$164,500
- The City of Ishpeming: \$100,000

- The Village of Lake Odessa: \$200,000
- The Village of Mayville: \$72,000
- The Village of Ovid: \$35,000
- The City of Reading: \$164,512

## **Signature Building**

- The Village of Constantine: \$90,000
- The City of Corunna: \$400,000
- The City of Houghton: \$165,000
- The Village of Port Sanilac: \$210,000
- The City of Three Rivers: \$310,000

## **Land Assembly**

- The City of Belding: \$200,000
- The City of Big Rapids: \$149,177
- The City of Grayling: \$85,400
- The City of Marquette: \$200,000
- The City of West Branch: \$71,202

## The Campaign to End Homelessness Gets a Kick-Start

The coordinators of the Michigan Conference on Affordable Housing had to make some quick adjustments on room assignments on June 5, the opening day of the conference. The plan was to gather representatives from participating collaborative

groups to discuss the progress being made on each community's **10-Year Plan to End Homelessness**. The estimate was for 40 to 50 people to attend, but the number mushroomed to more than 300 as eager representatives from across the state

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## Domestic Violence Housing Initiative Grants Awarded

**T**he Michigan State Housing Development Authority awarded \$4 million to 6 projects statewide for the **Domestic Violence Housing Initiative** in an effort to create supportive housing for homeless survivors of domestic violence.

The Domestic Violence Housing Initiative is a partnership between MSHDA, the Department of Human Services (DHS), the Michigan Domestic Violence Prevention and Treatment Board (MDVPTB), and the Michigan Coalition Against Domestic and Sexual Violence (MCADSV).

"This Domestic Violence Housing Initiative will be among the first of its kind in the nation to provide supportive housing to homeless domestic violence survivors," said MSHDA Executive Director Michael DeVos. "With the collaboration efforts of state agencies, local governments, and service providers, we have the ability to create permanent supportive housing to help meet the needs of survivors of domestic violence."

According to DHS director Marianne Udow, domestic violence is one of the leading causes of homelessness nationally, with approximately 90 percent of homeless mothers experiencing physical or sexual assault in their lifetimes.

Project proposals were collected from domestic violence service providers around the state. The proposals were evaluated and selected based on the following factors: ability to meet the stated requirements to participate; demonstration of local need; ability to target survivors of domestic violence who are homeless, undeserved, or may have special needs; capacity to administer and implement



the project; project feasibility; strategy to incorporate input of the domestic violence survivor into the development of the project; and an effective Community Supportive Services Plan and Tenant Eviction Prevention Plan.

The funds can be used for development costs associated with new construction, acquisition/rehabilitation,

master leasing of existing units, or homeownership to create permanent supportive housing for people who are homeless survivors of domestic violence. Grants were awarded to agencies in the following cities: Kalamazoo, Mecosta, Osceola, Newaygo, Saginaw, Port Huron, Grand Rapids, and Traverse City.

## Shelters Touch, Improve Lives

*Susan,\** a domestic violence victim and mother of three with a history of homelessness, is a classic example of how shelters and services like the HUD Supportive Housing Transitional Program can help turn lives around.

Once safe and surrounded by resources, Susan gained the skills and confidence needed to tackle a number of hurdles. She secured a better-paying job, obtained financial aid to enroll in college, caught up on bills, developed a household budget, and maintained a savings account. She also learned how to obtain necessary dental treatment as well as found safe, affordable housing. With her basic needs finally being met, she was able to focus on her parenting skills and improving her relationship with her children.

"The most helpful part was having my rent paid so that I could catch up on my debt and solve some problems," said Susan regarding her time with the shelter. "I learned that it was not going to be easy, but that I could do it and I now know I can do it."

With the aid of these programs, Susan gained financial and emotional independence. Her life — and that of her children — underwent a major transformation. Stories similar to Susan's take place everyday as MSHDA and other state agencies continue to help homeless and low-income Michigan residents resolve their debt and get back on the right track to living a safe and happy life.

\* Not the subject's actual name - changed to protect identity.

## MSHDA Connects With Michigan Banking Community

**T**he Michigan Bankers Association's annual convention was held June 20 - 23 at the

Grand Hotel on Mackinac Island.

The theme of this year's convention was "United in Excellence" – and the convention was intended to illustrate how unity benefits the banking industry as well as the

economy. Program segments highlighted Michigan's economy, asset protection, leadership, overcoming challenges, and future planning.

In a letter from MBA Chairman James C. Conboy Jr., the topics presented by speakers and participants at this year's conference were listed as: A Bank's Role in Michigan's Economy, Managing Boards of Directors, Uncovering the Secrets of Maintaining Psychologically Healthy Banks, Understanding the Value of Succession Planning, and Recognizing How Leadership Makes America Great.

Interestingly, the themes and highlights of the MBA's convention seem to echo many of MSHDA's objectives and mirrored many of the themes at this year's Affordable Housing Conference. It makes sense that MSHDA was a big part of the MBA convention's success as a Gold Sponsor.

Todd Willoughby, Vice President of Communications for Michigan Bankers Association, said, "We're very grateful to have MSHDA's participation in the convention and support of the conference. It's great to have their

continued support and to have a great partner in the success of the banking industry in Michigan."

**"It's great to have (MSHDA's) continued support and a great partner in the success of the banking industry in Michigan."**

MSHDA was also featured on the cover of the June Michigan Banker magazine and had a multi-page spread within the issue. The focus of the cover package was community economic

development and housing solutions, featuring development and renovation projects from around the state.



## Homeless Summit Set for October

**A**s part of the Michigan Campaign to End Homelessness and to mark the completion of the statewide plans a very special two-day event has been planned for October 24 and 25 at the Lansing Center.

On day one of the **Michigan Homeless Summit** the focus will be on celebrating the completion of plans and acknowledging the groups and community leaders that have worked so hard to build their own plan to end homelessness. Our very special guest for that day is Phillip Mangano, the director of the United States Interagency Council to End Homelessness. Always a stirring presenter, Mangano plans on "lighting the fire" for those community leaders and collaborative group leaders.

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## All Part of the "Plan"

**I**n the upcoming issue of the **Michigan Association of Planners** monthly magazine, MSHDA is being featured in their pull-out Smart Growth section. This feature is a "how-to" guide that focuses on a different organization each month, highlighting the importance of planning and its impact on the state.

For the September issue, MSHDA's how-to topic is "Changing Perceptions Through Urban Development," which is an overview of the CATeam and Office of Community Development programs. Be on the lookout for it!



# MSHDA Happenings



Back row: (left to right) Michael DeVos, Jackson Mayor Martin Griffin, Front Row: (left to right) Marsha Kreucher CEO, Community Action Agency; Neeta Delaney of the Enterprise Group; Senator Mark Schauer

## Celebrating MSHDA's Success

MSHDA is celebrating **40 years of housing services** to Michigan residents. In honor of this, MSHDA Executive Director Michael DeVos and staff members will take part in various activities around the state.

On July 17, DeVos and several MSHDA staff toured the city of Jackson to view community development and housing initiatives, historical preservation goals, and Cool City plans.

"Taking tours is an important step in viewing first-hand how cities are using MSHDA funding for community development and housing initiatives and to build relationships with partners throughout the state," said DeVos. "Jackson is a great example of the positive things that can happen, and we were thrilled to see how all their hard work has paid off for Jackson citizens."

Marsha Kreucher, Director of Community Action Agency in Jackson and Neeta Delaney of the Enterprise Group led the tour, which started with

an informational meeting at St. John's United Church, located in the heart of the Partnership Park neighborhood. Partnership Park was previously one of Jackson's most depressed neighborhoods, but efforts are now being made to ensure housing availability for low-income residents through home restoration, home improvement and development of new homes using the Low Income Housing Tax Credit (LIHTC) program.

The next stop on the tour led through the downtown area, which featured several projects in the Cool Cities initiative.

The tour ended at the Armory Arts Project, an innovative urban redevelopment project that will create a community where artists can live and work. The Armory Arts project is being constructed on the 19-acre lot of the old state prison. The project is being partially funded through a \$100,000 Cool Cities catalyst grant from MSHDA.

## MSHDA Program Rate Increases Help Homeowners

In an effort to make homeownership more affordable, MSHDA made several increases to housing loan programs. Limit increases were made in the *Single Family Loan Program*, the *Mortgage Certificate Credit Program*, and the *Property Improvement Program*.

Beginning June 1, MSHDA increased income limits for potential homeowners to a minimum of \$62,100 and a maximum of \$72,250. This will give more Michigan residents the opportunity to own a home. It will also extend MSHDA's ability to issue bonds in the future for funding low-interest mortgage rates for homebuyers and developers. The purchase price limit is set at a minimum of \$188,400 and a maximum of \$216,750, which will allow residents to purchase nicer homes on a lower income.

The purchase price and income limits for the Mortgage Credit Certificate Program also increased, which reduces the amount of federal income taxes a homeowner pays, giving them more available income to qualify for a mortgage. These limits are identical to the limits in the above mortgage loan program.

The Property Improvement Program has announced an increase for the income level of homeowners. This program allows Michigan residents to make permanent repairs to their home and property.

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## Michigan Homeless Summit

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The second day of the summit is being billed as the "Day Two How-To" where those individuals that will be most involved in putting their plans to end homelessness into action will receive valuable information from national and regional experts on a variety of topics. This day will also include announcements and details on new funding initiatives to support the Campaign To End Homelessness.

The state Campaign to End Homelessness is an inter-agency

collaborative effort, bringing together leadership across several state departments that spend a significant amount of resources and time to help Michigan's most vulnerable population.

For more information on the Michigan Homeless Summit and the Campaign To End Homelessness contact Janet Irrer at [irrerja@michigan.gov](mailto:irrerja@michigan.gov).

## Campaign to End Homelessness

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gathered to hear MSHDA Executive Director Michael DeVos and Department of Human Services Executive Director Marianne Udow speak on the Campaign To End Homelessness. Also speaking were representatives from other stakeholder state agencies such as *Michigan Department of Community Health* and the *Department of Corrections*.

The Campaign To End Homelessness was given a kick-start as MSHDA and DHS offered each participating community a \$10,000 planning and administrative grant to complete the planning process.

Currently, all of the counties in Michigan are represented in the planning process and are pledging to complete their 10-Year Plan to End Homelessness by mid-October.

## REMINDER:

**Michigan  
Homeless  
Summit  
Oct 24 & 25  
Lansing Center**

## Rate Increases

*continued from page 8*

The minimum income level is set at \$62,100 and a maximum is set at \$72,250 in certain target areas.

In June 2006, 161 Single Family loans were purchased for \$16,750,388, which is 3 times the amount purchased in June 2004. The increase in income level and purchase price will continue to encourage homeownership and property improvement around the state. To date, the agency has financed more than 55,000 home purchases in the Single Family program, for an investment of more than \$2.4 billion.

Approximately 115 branch offices of participating lending institutions take applications for MSHDA loans. The list of successful participating lenders is available at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).

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